

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

GLOBAL GAMING PHILIPPINES, LLC,

Plaintiff,

v.

ENRIQUE K. RAZON, JR., et al.,

Defendants.

No. 21-CV-2655 (LGS)

DECLARATION OF ARCAN L. LAT

I, Arcan L. Lat, hereby declare as follows:

1. I submit this declaration based on personal knowledge and in support of Defendant Enrique K. Razon, Jr.'s motion for summary judgment.

2. Since January 1, 2018, I have been the Chief Financial Officer of Bloomberry Resorts and Hotels Inc. ("BRHI") and Sureste Properties Inc. ("SPI," and together with BRHI, the "Bloomberry Defendants"). From 2014 to 2017, I was the Vice President of Controllershship for BRHI and SPI. From July 9, 2012 to 2014, I was the Director of Finance for BRHI. I do not hold, and have never held, any position or title with the Bloomberry Defendants' parent corporation Bloomberry Resorts Corp. ("BRC").

3. The Bloomberry Defendants together operate a world-class integrated resort consisting of a hotel and casino named Solaire. The hotel and non-gaming facilities are owned and operated by SPI while the casino facilities are owned and operated by BRHI under a license from the Philippine Amusement and Gaming Corporation. The property occupies approximately 468,445 square feet of space. BRHI and SPI together employ approximately 6,000 people.

4. For the year 2022, Solaire generated revenues of PHP [REDACTED]

5. The Bloomberry Defendants are solvent. In other words, each entity has the ability to pay its debts as they become due.

6. I understand that Plaintiff Global Gaming Philippines is attempting in this proceeding to enforce an arbitral award. My understanding is that the arbitral award consists of (a) US\$85,200,000 in lost management fees, (b) approximately US\$15,389,276 in fees and costs, (c) the value of the Option Shares as of December 9, 2014 (or PHP 10,169, 871,978.24), (d) the value of dividends paid on the Option Shares through the date of the final award, or PHP 193,448,652, and (e) interest at an annual rate of 6%, compounded annually, beginning 30 days after September 27, 2019 (the "Award"). I also understand that the Award contemplates that if the Bloomberry Defendants pay the total amount in (c) to Plaintiff, the Option Shares must be transferred to the Bloomberry Defendants.

7. As of January 15, 2023, I estimate the maximum cash value of the Award to be approximately PHP 19.17 billion. (The actual liability is less, because even if BRHI and SPI pay that amount, they would then become the record owners of the Option Shares, which have a value.)

8. As of December 31, 2022, BRHI and SPI's combined cash balance was approximately P [REDACTED]. BRHI and SPI are capable of paying the Award.

9. BRHI and SPI have never made a monetary transfer to Mr. Razon.

10. BRHI leases an airplane from a company in which Mr. Razon has a controlling equity interest. The aircraft is used to ferry VIP and high roller clients of Solaire's casino. Pursuant to a lease agreement between BRHI and that company, BRHI makes payments associated with the lease. BRHI also pays an aircraft maintenance company affiliated with Mr. Razon related to maintenance of that aircraft.

11. BRHI and SPI also pay Mr. Razon's counsel (and vendors retained by them) for legal fees and expenses in this action. For convenience, BRC pays counsel and certain other vendors directly and then BRHI and SPI reimburse BRC for the payments.

12. None of Mr. Razon, Prime, BRC, or any other entity has ever guaranteed a loan on behalf of BRHI or SPI.

13. BRHI and SPI have never relied on the assets or collateral of any of Mr. Razon, Prime, BRC, or any other entity when seeking or obtaining loans, or for any other type of financing arrangements, except that BRHI and SPI have guaranteed each other's loans.

14. BRHI's and SPI's financial statements are separately audited annually by SyCip Gorres Velayo & Co., an affiliate of Ernst & Young.

15. I, along with a team of employees from BRHI and SPI, am responsible for preparing BRHI's and SPI's financial statements. Neither BRC employees nor Mr. Razon are involved in the preparation of BRHI's and SPI's financial statements. Estella Occeña has played no role in the preparation of BRHI's and SPI's financial statements since January 1, 2018, when I became Chief Financial Officer of BRHI and SPI.

16. BRHI and SPI maintain separate bank accounts from BRC. There are eight signatories for BRHI's and SPI's bank accounts, one of whom is Mr. Razon.

I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct.

Dated: January 23, 2023
Manila, the Philippines



Arcan L. Lat